

Classification Change-Multiresidential Property

Prior Law _____

Properties that had a primary use of commercial, industrial, or railway, but also had a use for human habitation, were given a dual classification for property tax purposes regardless of the number of dwelling units in the property. Properties that had a primary use of human habitation consisting of three or more dwelling units were classified as multiresidential regardless of whether there was also a commercial, industrial, or railway use of the property. Properties that had a primary use for human habitation consisting of fewer than three dwelling units were classified residential.

New Provisions _____

Section 3 of the Act designates a parcel that has a primary use for human habitation consisting of three or more dwelling units and also has commercial or industrial portions shall receive a dual classification under Iowa Code section 441.21(13). The human habitation portion of the property shall be classified as multiresidential and the commercial or industrial use of the property shall be classified accordingly. Railway property is no longer eligible for dual classification.

Property that has a primary use for human habitation but contains fewer than three dwelling units continues to receive a residential classification. Property that has a primary use of commercial or industrial, but also has a use for human habitation, continues to receive a dual classification, regardless of the number of dwelling units.

Section Amended _____

House File 616, sections 1 and 2 amend Iowa Code sections 426C.1 and 426C.3.

Effective Date _____

June 18, 2015